STATE OF SOUTH CAROLINA

State Budget and Control Board

DIVISION OF INSURANCE AND GRANTS SERVICES

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FRANK W. FUSCO EXECUTIVE DIRECTOR

July 1, 2003

To: All Waste Generators with Special Disposal Rate Agreements

Subj: Guidelines for Proprietary Information

Dear Customer:

We are writing to all waste generators who have current "Special Disposal Rate" agreements for radioactive waste disposal with the South Carolina Budget and Control Board. The purpose of this letter is to provide clarification regarding the state law concerning the <u>proprietary treatment</u> of these agreements.

We recognize that it may be necessary for you to inform waste brokers, processors or transporters of your special disposal rate in situations where these vendors factor those rates into overall rates that they charge you for their consolidation, processing or transportation services. Unless you have made arrangements with the vendor and the disposal site operator to be directly billed for disposal of any brokered or processed waste for which you are the generator, then the vendor himself is billed for disposal of the waste. In those situations, it would be advisable for you to inform the applicable waste vendor of the specific rate for which your waste is eligible so that the special rate can be factored into the vendor's price to you.

In providing information to waste vendors regarding your proprietary disposal rate, please keep the following guidelines in mind:

- You may inform a waste vendor on a "need to know" basis of the special rate only in situations where the disposal costs are paid by the vendor and not billed directly to you by the disposal site operator, Chem-Nuclear, LLC.
- Information provided to the vendor should be limited to the applicable disposal rate, and should not include contractual terms of your agreement with the State of South Carolina that are not necessary for calculation of an applicable disposal rate or for the execution of vendor services.

- Disposal price information should be limited to the price for the period of time in which disposal of the brokered or processed waste is likely to take place.
- You should inform the waste vendor of the proprietary nature of the information and direct the vendor to protect the information as proprietary.

We appreciate your cooperation in protecting the proprietary business nature of these special disposal rate agreements. If you have any questions regarding this information, please do not hesitate to contact me at 803-737-8037 or bnewberry@ogs.state.sc.us.

Sincerely,

original signed

Bill Newberry Director Radioactive Waste Disposal Program